

Frontier Access to Healthcare in Rural Montana (FAhRM)
Pilot Program Quarterly Data Report
October 31, 2012
(Reporting period – July 1, 2012 through Sept 30th, 2012)

Updates to the July 2012 Quarterly Report are in bold italic print

- I. Project Contact and Coordination Information
 - a. Joan Miles, Project Coordinator
Tom Brewer, Associate Project Coordinator
 - b. Montana Health Research & Education Foundation
1720 Ninth Avenue; PO Box 5119
Helena, MT 59604-5119
406-442-8802 (v); 406-449-6571 (f)
joan@mtha.org;

Tom Brewer - Principle-Brewerswest
636 Aries Avenue
Billings MT 59105-2103
406-861-2398 (C)
tom@brewerswest.net
 - c. Montana Health Research & Education Foundation (MHREF)
 - d. MHREF coordinates directly with the Montana Healthcare Telecommunications Alliance on development and implementation of this project to improve the statewide telehealth network infrastructure.
- II. Identification of Health Care Facilities in the Network.

There have been no changes to the member Health Care Facilities from January through March 2011. All member networks continue to actively participate in this project and are committed to working toward full implementation. This group of networks is organized as the Montana Telehealth Alliance, formerly known as the Montana Healthcare Telecommunications Alliance. This name change was effective July 1, 2009.

The FAhRM project as proposed will improve telehealth network connectivity between six existing and developing Montana regional networks; this has been described as a “network of networks”. All participants are public, eligible, not-for-profit entities covering multiple RUCAs state-wide. The Montana Healthcare Telecommunications Alliance map (below) – now known as the Montana Telehealth Alliance – provides a visual representation of this state-wide project. Participating networks in the FAhRM project are:

Eastern Montana Telemedicine Network
2800 Tenth Avenue North

Billings, MT 59101

406-657-4057

Yellowstone County

RUCA: 1, 4, 7, 7.4, 10, 10.4

Census Tracts: 0001.00, 0003.00, 0004.00, 0009.00, 0010.00, 0201.00, 0601.00, 0703.00, 0801.00, 1003.00, 9402.00, 9613.00, 9619.00, 9670.00, 9928.00, 9955.00, 9964.00

Eastern Montana Telemedicine Network Partners:

Billings Clinic (data center) 2800 Tenth Ave N Billings, MT.

Livingston Health Care 504 S 13th Street Livingston, MT.

Colstrip Medical Center 6230 Main Street Colstrip, MT.

Pioneer Medical Center 301 W 7th Ave Big Timber, MT

Frances Mahon Deaconess Hospital 621 3rd St S Glasgow, MT.

Eastern Montana Community Mental Health 2508 Wilson Lane Miles City, MT.

Beartooth Hospital & Health Center 620 West 21st St. Red Lodge, MT.

McCone County Health Center 605 Sullivan Rd Circle, MT.

Sidney Health Center 216 14th Ave SW Sidney MT.

Dahl Memorial Healthcare Assoc 215 Sandy Street Ekalaka, MT.

Fallon Medical Complex 202 S 4th St W Baker, MT.

Roosevelt Medical Center 818 Second Ave E Culbertson, MT.

Stillwater Community Hospital 44 West 4th Ave N Columbus, MT.

Glendive Medical Center 202 Prospect Dr. Glendive, MT.

Partners in Health Telemedicine Network

175 North 27th, Suite 803

Wells Fargo Building

Billings, MT 59101

406-237-3602

Yellowstone County

RUCA: 1, 4, 7, 10, 10.4

Census Tracts: 0001.00, 0002.00, 0003.00, 0004.00, 0010.00, 0011.00, 0302.00, 9404.00, 9406.00, 9619.00, 9955.00, 9965.00

Partners in Health Telemedicine Network Partners:

St. Vincent Health Care (data center) 1233 North 30th St. Billings, MT.

Ashland Community Health Center 501 Main Street Ashland, MT.

Bozeman Deaconess Health Services 915 Highland Blvd Bozeman, MT.

St. James Healthcare 400 South Clark Butte, MT.

West Park Hospital 707 Sheridan Ave Cody, WY.

Barrett Hospital & HealthCare 90 Highway 91 South Dillon, MT.

Wheatland Memorial Healthcare 530 3rd St NW Harlowton, MT.

Holy Rosary Healthcare 2600 Wilson Street Miles City, MT.

Roundup Memorial Healthcare 1202 Third St West Roundup, MT.

Central Montana Medical Center 408 Wendell Ave Lewistown, MT.

Mountain View Clinic 501 W 20th Red Lodge, MT
Absarokee Medical Center 55 N Montana Ave Absarokee, MT.
Hardin Clinic 16 N Miles Ave Hardin, MT.

REACH Montana Telehealth Network

1101 26th Street South
Great Falls, MT 59405
406-455-4285
Cascade County
RUCA: 1, 4, 7, 10, 10.4, 10.5
Census Tracts: 0001.00, 0002.00, 0003.00, 0006.00, 0021.00, 0022.00, 0101.00, 0102.00, 0404.00, 0501.00, 0601.00, 9760.00, 9770.00

REACH Montana Telehealth Network Partners:

Benefis Hospital (East Campus, data center) 1101 26th Street S Great Falls, MT
Benefis Hospital (West Campus) 500 15th Ave S Great Falls, MT
Big Sandy Medical Center 166 Montana Ave E Big Sandy, MT.
Liberty Medical Center Monroe & Highway 03 Chester, MT.
Teton Medical Center 915 4th Street NW Choteau, MT.
Pondera Medical Center 805 Sunset Blvd. Conrad, MT.
Northern Montana Healthcare 30 13th Street Havre, MT.
Phillips County Hospital 311 South 8th Ave E Malta, MT.
Marias Medical Center 640 Park Drive Shelby MT.
Mountainview Medical Center 16 W Main White Sulphur Springs, MT.
Missouri River Medical Center 1501 St. Charles St Fort Benton, MT.

Western Montana Telehealth Network:

Community Medical Center
2827 Fort Missoula Road
Missoula, MT 59804
Missoula County
RUCA: 1, 7, 7.4, 8, 10,
Census Tracts: 0001.00, 0002.00, 0004.00, 0005.00, 0009.00, 9403.00, 9405.00, 9802.00, 9917.00, 9945.00

Montana Cardiology Telemedicine Network

St. Patrick Hospital & Health Sciences Center
500 West Broadway
Missoula, MT 59802-4096
406-543-7271
Missoula County
RUCA: 1, 2, 4, 7, 7.4, 8, 10, 10.1, 10.4

Census Tract: 0001.00, 0002.00, 0003.00, 0004.00, 0005.00, 0015.00, 0011.00, 0016.00, 0017.00, 0022.00, 9403.00, 9406.00, 9802.00

Health Information Exchange of Montana

Northwest Healthcare

310 Sunnyview Lane

Kalispell, MT 59901

406-752-1724

Flathead County

RUCA: 4, 5, 7, 8, 10

Census Tract: 0002.00, 0004.00, 0005.00, 0009.00, 9405.00, 9760.00

Health Information Exchange of Montana Partners:

Kalispell Regional Medical Center (data center) 310 Sunnyview Ln Kalispell, MT.

Glacier Community Health Center 519 East Main Street Cut Bank, MT.

Lincoln County Community Health Center 320 East Second St Libby, MT.

North Valley Hospital 1600 Hospital Way Whitefish, MT.

Northern Rockies Medical Center 802 2nd St SE Cut Bank, MT.

St. John's Lutheran Hospital 350 Louisiana Ave Libby, MT.

St. Luke Community Healthcare 107 6th Ave SW Ronan, MT.

LEGEND:

- ★ Eastern Montana Telemedicine Network (406) 657-4870
- MTNET - State of Montana (406) 444-6788
- ◆ Partners in Health Telemedicine Network (406) 237-8650
- ◆ REACH Montana Telehealth Network (406) 455-5588
- St. Patrick Hospital (406) 329-5626
- ★ FORTH (406) 657-4870
- ★ Montana Cardiac Telemedicine Network (406) 329-2631

July 2010 Quarterly Report: The FAhRM Committee is in the process of obtaining funding commitment letters from each of the Telehealth Alliance network members, stating their agreement to contribute a specified amount to cover the organization's costs associated with

participation for the 5-year term of the project (Shares of the 15% match requirement.) Additionally, each network has agreed to purchase hardware if necessary to meet the functional requirement of participation. The participating networks have all verbally committed to contribute funding to the project, and we are in the process of collecting written agreements. Once these are collected, FAhRM will proceed with negotiating a contract with our vendor, VisionNet, filing appropriate forms, obtaining funding commitment letter from USAC, and implementing the project. Goal is to have a contract with VisionNet and filing of the 466A package completed during the next quarter (July-Sept 2010).

October 2010 Quarterly Report: The FAhRM Committee has been successful in obtaining the six funding commitment letters, one from each of the Alliance network Members that covers the 15 % match requirement. VisionNet has been contacted and is in process of developing a written agreement and contract for review by the parties of the project. The committee is working on updating documentation, (network cost worksheet - net diagram-sustainability plan) for the 466A package.

January 2011 Quarterly, Report: VisionNet submitted a written proposal –proposed contract in November 2010. The committee met and discussed the contracts and accompanying Service Level Agreements and amendments. Discussion was positive and agreement to move along with the process was secured. In the process of working out the signature / approval of the contract, issues in regards to overall liability and how the contracting and payment processes was going to be handled arose. The committee is in process of seeking guidance and developing processes for the contracting, billing and invoicing for the project. The documentation for sustainability of the project is tied into the proposed contract for services and will be forthcoming.

April 2011 Quarterly, Report: The Vision Net Contract and Addendums have been approved and signed as of March 18, 2011 by MHREF and Vision Net. Service orders were proposed and work continues to ensure equipment and sites are as designed. Additional work is being done to determine bandwidth and equipment needs based on sun setting of the pilot program based on a onetime submission. Billing and invoicing scenarios are completed to the participant's satisfaction. MOU's with MHREF and the participants completed the process. Submission of 466A worksheet, network cost sheet and vendor and recipient certifications has been initiated. Corrections to 466A worksheet and network cost sheets are underway while waiting for completed service order agreements with the participants. Work on the sustainability plan continues and is based on the final service order. Completion of the paperwork for submission is expected by 15 May 2011.

July 2011 Quarterly, Report: On May 7th final consensus on the service order was determined. On May 9th it was determined that all spoke sites as submitted in the 465-Attachment were required to participate in the NCW as part of the project submission. Work continued to accommodate the revisions on the 466 Package. Submission was completed with a revision to the sustainability plan (revisions provided below) , updates to 466-A worksheet, 466, network cost worksheet. All revised documents were posted as a submission of the 466 Package on 6/15/2011 to the USAC SharePoint site. The project received notification from USAC that by submission of the package the FAhRM project was granted a one-year continuance with which to complete its processes. The 466 Package is currently under USAC program review with an expected release of a funding commitment letter (FCL) in July. FAhRM notified the vendor that the submission process had been completed. There is concern voiced by

the vendor that the current construction season is filling up and that delivery of the network may not be available till late spring of 2012.

October 2011 Quarterly Report: FAhRM was notified on August 11th 2011 that after review of the 466 package the project was awarded funding (FRN # 54427) with invoicing capabilities from 3/18/2011 to 8/11/2017. Vision Net was notified of the award and subsequently started the process of securing circuit commitments for delivery. At the end of this quarter the timelines have not been developed or delivered. FAhRM participants were notified of the award and a face to face meeting took place September 23rd 2011. The participants will bring together work groups to discuss nature of business agreements and technical standards for the delivery of services in the next quarter. Work on a 467 Package will be delayed until all sites are ready and operational expected by 2nd quarter of 2012.

December 2011 Quarterly Report: Vendor -Vision Net submitted work orders and PO's for equipment and circuit installation to the participant's sites. Due to an unseasonably warm and dry winter in the region, an installation date for the project was scheduled in mid-December. Cisco, manufacturer of the switches notified vision net that the project specified switch was back ordered and scheduled for delivery in late November. Based on late arrival of equipment and additional requirements for facilities the install date and go live was moved to January 11, 2012. Technical meetings& discussions were held weekly with participant's technical subject matter experts (SME) to finalize configuration, routing tables, data paths and network security of all transmissions. All partners were in agreement and configurations of equipment have been completed. Discussions between the Vision Net and MHREF have worked out the billing plans and agreements between the facilities to hopefully enable a smooth transition into the billing and invoicing to USAC for all participants. An administrative group has been identified but has not convened during the quarter as expected. The 467 package was developed but put on hold pending successful implementation of the project and will be submitted in January. USAC invoicing for the project is expected to commence by February for both the non-recurring and recurring costs of the project.

April 2012 Quarterly Report: Vision Net completed installation of the circuits to the six participants by Jan 11th 2012. A Form 467 was submitted January 11th for the acceptance of the circuits and to signify project start date for the billing process with USAC. Upon receipt of a January invoice from Vision Net, the process of filling out the USAC invoice was undertaken. It was noticed that no line items were provided for submission of the MT excise tax or universal services fees. FAHRM submitted a rescission on FCL with FRN #5442. FAhRM resubmitted a revised network cost work sheet and Form 467 to include a 33.3 percent increase on all recurring line charges to provide future opportunities to cover taxes and fees associated to those line items. FAhRM received a new FCL with FRN # 54427 dated 1/20/2012. Invoicing to each of the members for all non-recurring costs has ensued and recurring invoices are submitted. Vision Net is providing guidance on receipt of the fifteen percent in kind and submission of USAC invoice for the first quarter will be submitted in late April. On January 19th and 27th 2012 a Governing Board made up of one representative of each member institution and the presiding President of the Montana Communications Alliance convened and ratified a charter that provides for oversight of the project. The Board will meet bi-annually or as required.

July 2012 Quarterly Report: Initial invoicing of USAC for Vision Net services rendered, proved to be a long and complicated task. The invoice form required numerous support calls and guidance from USAC staff to perform the mathematical equations to perform data entry into the forms. The FAHRM partners required almost 5 months to complete payment of the fifteen

percent match on the original Vision Net invoices. Now that the original invoice has been submitted and payment from the partners is flowing on a monthly basis the invoicing of USAC should become methodical and timely.

October 2012 Quarterly Report: USAC invoicing has been brought up to date and full completion of the process is based on the partner's payment schedules of the 15% match. Brewerswest has provided MHREF excel template and process guidance to aide in the USAC invoicing process to MHREF. A successful transition of the process as appropriate to MHREF has been completed. A notice for the semiannual Governing Board meeting and request for agenda items to be held November 2 2012 has been executed. A service agreement between MHREF and Brewerswest to continue program administrative support for 1 year was completed.

Process to date: The Form 465 and RFP were posted 5/19/2009 with an allowable contract date of 6/15/2009. Bid response date for vendors was pushed to June 30, 2009. Four bids were received and reviewed by the FAhRM technical team. Vendor selection has been completed. The 466 Package containing A66-A, 466 Worksheet and other required documents was successfully submitted 6/15/2011. A FCL was received (FRN # 54427) 8/11/2011. A form 467 was submitted on 1/11/2012. A note of recession on FRN # 54427 was provided on 1/19/2012. A revised NCW and Form 467 was submitted 1/19/2012. A FCL with FRN # 59605 was received 1/28/2012. Initial USAC Invoice was submitted June 18th 2012 and approved by USAC 7/6/2012. Monthly ***USAC invoicing continues with full documentation available on USAC SharePoint site.***

- a. The proposed backbone network will be a carrier provided MPLS network between hub sites.
- b. Hub sites will connect to the vendor network via 1 Gig data links.
- c. Vendor has established meet points in Billings and Helena, Montana.
- d. Four of the hub sites will require construction to the site. Number of miles and whether the physical fiber will be aerial or buried has yet to be determined.

IV. List of Connected Health Care Providers.

No individual health care providers have been connected to the network as of September 30, 2012. All FAhRM member Health System and their participating network members and their participating providers are connected to the network as of Jan 11th 2012.

V. Identity of Non-recurring and Recurring Costs

Non-recurring costs of Approximately \$204,054.67 and recurring costs of approximately \$108,000 have been incurred as of July 28, 2012

VI. Description of Apportioned Costs and Sources of Funds.

No apportioned project costs have been incurred as of ***September 30, 2012.***

VII. Technical or Non-technical Requirements for Ineligible Entities

There are no ineligible entities participating in the FAhRM project.

VIII. Update on Project Management Plan

- a. Kip Smith serves as Project Coordinator for the FAhRM project and John Hubley, an independent contractor, began as the Associate Project Coordinator on July 21, 2008. Overall direction for the project is provided by a steering committee made up of the Executive Directors of each of six participating networks in the FAhRM project.
- b. With the addition of Mr. Hubley to the management team in July 2008, a detailed project plan and schedule will be developed in conjunction with the steering committee during the next quarter. This plan will include key project deliverables/tasks and anticipated completion dates. Generally, the project will roll out in two phases – connectivity infrastructure enhancement and expansion design, followed by two to three years of implementation.
- c. Effective 11/20/08, Kip Smith, Project Coordinator, will be leaving the Montana Health Research and Education Foundation (MHREF) and has accepted the position of Executive Director with the Health Information and Exchange of Montana (HIEM), another FCC Rural Health Care Pilot Program awardee . During this transition, MHREF will identify an individual with signature authority for the FAhRM Project until a new Director is named.
- d. A detailed project plan has been completed by the FAhRM steering committee and provides the steps necessary to interface with USAC as the FAhRM Project moves forward. All LOAs have been signed, collected and forwarded to our Coach along with a draft Form 465. We are currently awaiting USAC approval of these documents. Technical, sustainability and fund raising work groups have been defined and organized. A design RFP is under development with a completion commitment date of 11/3/08.
- e. Kip Smith has left the Montana Health Research and Education Foundation (MHREF) to accept the Executive Director position with the Health Information and Exchange of Montana (HIEM). Sherrie Nelson will serve as the interim Project Coordinator from October through December. (Joan Miles as accepted the Project Coordinator position effective 01/01/2009).
- f. Although the LOAs for the six primary member sites have been secured, it has been determined that each site connected to each network will be required to sign an LOA since each individual site will be directly benefiting from any upgrades to the existing network. Each of the six individual networks will be responsible for securing these LOAs with a projected completion date of February 27, 2009.
- g. The technical team has completed the draft RFP that has been forwarded to our coach at USAC. A web site for bidder questions and project responses is still under development.
- h. Joan Miles has accepted Project Coordinator position effective 01/01/09 and is now actively tracking the progress of FAhRM Pilot Project.
- i. LOA's have been secured from both the hub sites and each individual site connected to each hub. Copies of all LOA's have been submitted to Pilot Program coach for review. The original LOA's are on file at Montana Health Research and Education Foundation corporate office in Helena, Montana.

- j. Forms 465 and 465- Att are complete. Both Forms have been forwarded to the Pilot Program coach for review.
- k. Web site for vendor questions is complete and operational. The web site is FAHRM.com.
- l. The FahRM project RFP has been updated and is complete. The RFP has been forwarded to Pilot Program coach for review.
- m. Forms 465 and 465-Att were approved and posted on the web site 5/19/2009.
- n. The FahRM RFP was also posted 5/19/09 with an allowable contract date of 6/15/2009.
- o. Bid receive date was 6/30/2009 and four bids were received. Those bids are being reviewed and scored by the FahRM technical team.
- p. The four bids have been carefully reviewed with one bid (Cutthroat Communications) not meeting the RFP requirement to bid only hub sites and one bid (ClearFly Communications) determined not providing a flexible solution to the needs of the project. The remaining two bids have been selected to be invited to present their solutions to the FahRM project team prior to the MHA meeting in September. The two successful bidders to present their solutions are Bresnan Communications and Vision Net Inc.
- q. Vendor presentations were completed 9/22/09 in Billings, Montana. Each vendor presented their solution to the group and both groups were able ask and answer specific questions regarding the needs of the network.
- r. Vendor references have been contacted and results of those contacts sent to the group for their review. Vendor selection criteria forms have been sent to the group to select the vendor of choice.
- s. Vendor selection criteria forms have been reviewed and the bid has been awarded to Vision Net Inc. to implement the FahRM project. The FahRM group will now determine the personnel that will interface with Vision Net for contract negotiation and implementation project management.
- t. FahRM team working to negotiate contract with our vendor once we secure financial commitments to move toward project implementation. This is ongoing. Financial commitments for administrative functions of this project not yet secured.
- u. FahRM team is in the process of contracting with a project assistant, for a 6 month period, to assume the following administrative responsibilities: completion of and filing of Form 466A; posting competitive bidding documents and contract documentation; obtaining funding commitment letter from USAC, completion and submission of Form 467; designing process for quarterly or monthly invoicing procedures once project is implements; submitting quarterly reports and other required program reports.
- v. FahRM team contracted with Tom Brewer, Principle of Brewerswest from Billings MT for a 6 month period, to assume the following administrative responsibilities: completion of and filing of Form 466A; posting competitive bidding documents and contract documentation; obtaining funding commitment letter from USAC; completion and submission of Form 467; designing process for quarterly or monthly invoicing procedures once project is implements; submitting quarterly reports and other required program reports.

- w. Vision Net was selected as vendor for the project with contracts signed March 18th 2011. Vision Net as contracted vendor will start participating in the scheduling of equipment purchases design, installation and build out of facilities and configuration of equipment for the network. MHREF will continue work with the FAHRM team to direct and schedule all activities of the project.
- x. Vision Net service order was verified and approved May 7th and notified 466 Package had been completed and submitted for funding.
- y. An administrative team was identified for the project that would include one contact from each of the original hub sites that has the ability to contract for services for their respective organization. Participants to be determined and convened for the purpose of working on a business agreement for the interconnectivity of the network. A technical work group consisting of responsible supervisory network personnel from each participating entity will be convened to work out the technical details for the network interconnectivity. It is expected that the Administrative panel will continue on to be participants for the ongoing management of the project.
- z. FahRM team re-contracted with Tom Brewer, Principle of Brewerswest from Billings MT for a 6 month period, to assume the following administrative responsibilities: completion of and filing of Form 467; designing process for quarterly or monthly invoicing procedures once project implements; submitting quarterly reports and other required program reports. Facilitation of billing and administrative issues for the project and facilitation of the project physical implementation process.
- aa. The Governing Board has been chartered and convened as of 1/27/2012. The Board consists of one contact from each of the original hub sites and the presiding President of the MTA.
- bb. *FAhRM team re-contracted with Tom Brewer, Principle of Brewerswest from Billings MT for a 12 month period, to assume the following administrative responsibilities: ;submitting quarterly reports and other required program reports. Facilitation of billing and administrative issues for the project and facilitation of the project physical implementation process. Facilitation of semiannual Governing Board meeting.***

IX. Network Sustainability Plan Narrative

The goal of the FAhRM project is to support the continued development and expansion of a reliable, cost effective telehealth network- of-networks that has sufficient, scalable bandwidth from defined hubs to the cloud to support the increasing demands for the delivery of healthcare applications. The FAhRM pilot project will provide for end to end networks allowing efficient, seamless and dynamic routing of data from and between six hub-site partners to 48 rural spoke-site entities. All rural telehealth spoke-sites are currently connected via one of the six urban hub-site partners.

Today, three hub networks (EMTN, PHTN and REACH RMTN) are connected by banded t-1 or gigabit fiber virtual private networks (VPN). This interconnectivity was established primarily for video conferencing between partners due to the large amount of cross network traffic that was occurring. It is currently funded by the three individual urban hub-sites and the individual rural spoke sites through membership or agreements as part of the urban telemedicine networks. As the project moves forward and is implemented, the expectation will continue to be that the individual members of each urban hub network will sustain costs of this new broadband backbone maintaining those costs in their annual budgets. The other three hub

networks (Western Montana Telehealth Network, Montana Cardiac Telemedicine Network, and Community Medical Center) also currently support rural-sites. All hub-sites currently connect on a regular basis to provide healthcare applications but are limited by the bandwidth available.

Commitments from Network Members

All of the health care entities connecting to the FAhRM MPLS cloud have agreed to maintain their commitment to MHREF for five years. Thereafter, they have committed to maintain support for the FAhRM project as long as the project is able to reduce facility costs and continues to improve customer spoke network members and the patients they serve. Each of the partners has executed memorandums of understanding to MHREF.

Source for 15% Funding

The 15% matching funds of the non-recurring costs for the equipment and installation of the gigabit fiber local loops will be paid directly by the participating healthcare entities to MHREF and letters of commitment and MOU have been executed. The 15% matching funds for the recurring non-construction costs will be paid by the participating healthcare entities listed in the sustaining budget plan and letters of commitment and MOU to MHREF have been executed.

Anticipated Future Funding Streams

Anticipated future funding streams include telemedicine services which are currently under development and include outpatient, inpatient and emergent services for mental and behavioral health, cardiology, stroke and pediatric subspecialties. Tertiary care centers in the region are preparing a catalog of services they are able to provide which currently do not exist in the state and those they seek to actively develop. Continuity and continuation of operations is made possible by implementation of but a few such programs / offerings. These programs will provide the fiscal support needed to sustain the network and continue expansion of telemedicine in the region using these resources and are a key component factored into the estimated cost savings and revenue increases identified in the sustainability budget of this plan. This project will form strong relationships between public and private organizations that will use and value the medical capabilities. These relationships, coupled with entrepreneurial vigilance, will seek to identify and pursue additional opportunities. We understand that telemedicine doesn't simply bridge the geographic gap. It is also technology that will make available advances never before thought possible. The desire of the participants to pursue collaborative endeavors in this arena is evident and will continue to grow.

Upfront Charges

This project has selected Vision Net as its network vendor. Vision Net is providing FAhRM services for a specified amount of bandwidth (1 Gbps local loops and 100Mbps cloud service) for each of the sites listed in the sustaining budget plan. During the installation and construction phase, Vision Net will install the connection from the FAhRM project facilities to the MPLS cloud.. Vision Net will then terminate that connection using FAhRM project purchased equipment. Vision Net's MPLS service platform will provide FAhRM project participants maximum flexibility to add new services or increase bandwidth at the initial FAhRM locations.

Vision Net is responsible for maintaining the equipment for the entire period described in the lease with MHREF. FAhRM does not own the fiber, but does own the terminating and routing equipment for the network.. The FAhRM facilities are treated as stub locations on the

MPLS cloud network. There are no other entities on the MPLS Cloud. All traffic originating or terminating at FAhRM facility will traverse the FAhRM MPLS cloud network via dedicated virtual local area network (VLAN) connections.

Monthly Lease Option

FAhRM / MHREF will be paying for the leased connections on a month-by-month basis; the terms of the contract that covers the monthly recurring payment costs are in force for five years from the initial start of service for each site connecting to the FAhRM MPLS cloud. Beyond the initial five year term of the contract, monthly recurring costs for each site are projected to be renegotiated at approximately 25% less cost than the current negotiated contract and service order. Each of the FAhRM participants will negotiate individually, new contract pricing for the local loop and prorated costs of the MPLS cloud at the end of the initial five-year contract.

Use of the Network by Non-Eligible Entities

New or additional eligible (USAC-RHCD HCP eligibility) entities that want or need to connect to the private FAhRM MPLS cloud will pay their own installation and service charges for connectivity directly to the provider (Vision Net). FAhRM will not pay any costs or use any funds for non-eligible entities.

Excess Capacity

There is no excess capacity in this project. Additional capacity will be added as required.

Funding in the Primary RHC Program

At this time we have not included any budget references for sites that meet the eligibility requirements for the primary RHC funding program. FAhRM participants that meet eligibility requirements may not apply for primary fund funding for additional HUB site development at a future date.

State and Federal Funding

FAhRM is not currently or planning on using any state or federal funding to sustain the network.

Management of the Network

The FAhRM project is managed by a committee made up of members from each of the participating hub sites. The Hub site members are also members of the Montana Telehealth Alliance (MTA) and overseen by the program's fiduciary agent, Montana Health Research and Education Foundation (MHREF). MHREF is an entity of the Montana Hospital Association, which is an association of health care providers. Each hub site has responsibility and MOUs and LOA supporting the project to MHREF for the duration of this project. MHREF has contracted with Vision Net (the service provider) for the project's equipment and long-term lease of network services. Further management of each hub site location is the responsibility of the individual healthcare facility.

Ownership Structure

The equipment acquired through the grant will become a hub site asset upon receipt, therefore will maintain responsibility for the duration of the project. All technical network management is provided via maintenance agreement /contract by Vision Net the service

provider.. Further management of each hub site location is the responsibility of the individual healthcare facility.

Terms of Membership

There are no memberships or formal organizations in this project.

Anticipated Future Cost Savings and Network Sustainability

This project is firmly funded for the initial five years of this project. Further sustainable use and development of the FAhRM network will be an ongoing effort by the committee, the hub-site institutions they represent, and the rural spoke-sites that have access to the high-quality, secure bandwidth provided by this program. Several opportunities dependent upon bandwidth availability are arising now that were not even possible when initially submitting for funding. This trend is expected to continue to proliferate. Those institutions supported by the FAhRM project will be making long-term financial plans based on the availability of the infrastructure, its security, and bandwidth availability. Telehealth initiatives continue to grow in the region with new specialties and health services being developed and offered by each of the hubs. Interconnectivity between hubs and spokes for 'e-icu', telestroke and emergent trauma care will provide communities access to care and affordable services in remote locations that are not available currently. Several hub-site members are developing accountable care organizations and medical home models and will depend on the developed infrastructure to provide services. Health information exchange is another important aspect to the development of the network. Health Shares Montana, the state selected, federally funded HIE program and Health Information Exchange Montana are currently connected via hub-sites and will be able to develop agreements with spoke sites for delivery of EHR and other services in the future. The development and implementation of electronic health records between the hub and spokes and between hubs will also have the ability to travel the secure backbone as needed on the infrastructure.

The downstream beneficiaries of this project are the rural spoke sites, as they will have direct access to all interconnected facilities and resources thereof. This access provides the foundation for sharing of resources that may include patient registration and management applications, electronic health record information, and telemedical services performed by a wider variety of specialists than those clinics can provide individually. Regional hospitals will have access to the clinic operations and electronic health records, providing for greater continuity of care. The efficiency created by combining and joining resources is the other component factored into cost savings and revenue increases identified in the sustainability budget portion of this plan. The FAhRM Project incurs most of its costs during the start up phase which includes equipment purchase and installation phases.

The ongoing network costs of connecting the participating hub-site entities (listed in the sustaining budget plan) with their associated 48 rural spoke-sites via FAhRM's MPLS cloud local loop connection (to be constructed) represents only a fraction of what the majority the facilities are currently paying for telecommunications services. The cost savings from an overall network standpoint are significant even without taking into account the clinical cost benefits that will be realized when patients are retained in the local community due to telemedicine services being employed. Network management costs are built into the monthly recurring charges. Funds provided by the FCL will cover 85% of each site's cost for the first five years of the project. The other 15% of the costs will be paid by the participating healthcare entities listed in

the sustaining budget plan. The participating healthcare entities will be responsible for 100% of the monthly recurring charges in years six through ten. These costs will be offset by projected future revenue streams and the overall reduction in network connectivity costs.

Enhanced Patient Care

Hospitals will be able access and share information between hospitals. Ventures by the regional hospitals into PACS with search and retrieve capabilities have already been researched as part of the FAhRM grant submission. A verbal agreement has existed and prospered for over 15 years and continues to exist between the information technology leaders and telehealth administrators of several of the hospitals. This agreement is to seek opportunities for collaboration in information technology and telehealth synergies with the patient/customer as the sole driving force. The agreement is that competitive interests are better served through other means and that technology should be a shared experience for the good of those they serve. This project is the cornerstone of such an effort. Relationships between the tertiary care centers and regional hospitals will result in enhanced patient care. Telemedicine, distance learning, and continuity of care are supported by this project. The opportunity now exists to fashion a more cohesive network similar to a Regional Health Information Organization. This will position the region to more readily implement and adopt the emerging EHR standards.

Conclusion – Collective Benefit

All involved parties have much to gain or lose in sustaining this project. The larger organizations will create the support programs that include services for the smaller ones. Ultimately, the inability of being able to support the connectivity and technology needs of healthcare providers would have a significant negative impact to all participants. Therefore, the collective benefit will be sustained through continued collaboration and development of this infrastructure and technology. The participating organizations are already spending a significant amount on lower bandwidth and less efficient technology than the Ethernet fiber and cloud services this project will provide. Funding for continued support of this resource will come from the individual organizations some of which will be offset by the diversion of dollars being invested in the current connectivity to the new connectivity and through hard cost savings and increased revenue streams. In addition, future grant opportunities and private funding will be sought for telemedicine equipment and electronic medical record interfacing that will increase the ability to efficiently deliver services between facilities (rural and urban) and sustain the network. However, expected grant dollars were not included in the sustainability budget as they are a moving target and do not provide a reliable and sustainable funding stream.

X. How has the Network Advanced Telemedicine Benefits?:

The FAhRM project has been implemented with no reported benefits at this time.

XI. How has the Network Complied with HHS Health IT Initiatives?:

Two members have developed facilities to share digital images through the network providing timely access to images by clinical providers.

XII. How have Participants Coordinated with the Department of Health and Human Services, on National, Regional and Local Public Health Emergencies?:

The FAhRM project has not yet participated in any Public Health Emergencies.